

Nutmeg Broadcasting started as a family owned and operated business in 1959. It is currently run by a 2nd generation of the Rice family. The facilities are 1 kw ND AM and a 3 kw FM. They cannot be expanded. The COL population is 25,000. With the inclusion of surrounding towns covered, the pop count can reach 70,000. We are a non-rated market. Our competition is the local paper, shopper's guide, local cable sales, and billboards. The AM station is a Full Service AC with 5-minutes of local news each 1/2 hour throughout mornign and afternoon drive time--hourly in other dayparts. The FM is a music intensive CHR with hourly local news in drive time. Both stations operate 24 hours with about 25 % of the FM programming automated; 75% automation on AM. Nutmeg operates a full service news department with a news director and a fulltime staff of three. News is staffed weekdays 5 am to midnight and Saturday mornings. ABC Radio news together with a state-wide news network suppliment the local news. We also carry significant local sports news and play by play coverage each week, extensive live local weather coverage, and long-form public affairs interviews 5-days a week as part of our morning drive time program on AM. Public service announcements are 75 % local in nature with frequent prime time rotations. Community bulletin board items are recorded and programmed fresh each day in all dayparts.

We define "Momma Papa" localism at it's old fashioned best. I've explained this in detail because we won't be around much longer. We've operated with significant losses for the past 5 years. We've depleted savings and sold assets to underwrite this operation.

Why are we losing money? Consolidation! But not in radio. That hasn't affected us. Its the WalMarts, Home Depots, BJ's Wholesale and large cable companies selling cheap local advertising that are doing us in. The business model of these big box store doesn't call for local radio advertising and they hurt the small local independent businesses that have supported our service to this market with 40 years of consistent advertising.

Localism costs money and advertising supplies that money. You must include economic considerations in your localism assesment. High minded ideals calling localism are meaningless if the ad market can't support them.

Our little broadcasting company has used every trick in the book to underwrite our service to the community. Many of us have 2nd jobs to gain additional income and benefits the stations can no longer provide.

Before the FCC reaches any conclusions in this study of localism, staffers should spend considerable time learning about stations like mine. Well intended new rules and regulations mandating new activities stations must undertake in the name of localism will only speed the end of services like mine.

Michael C. Rice
President
Nutmeg Broadcasting Co